

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40

June 25, 2019

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 40 (the "District") met in regular session, open to the public, on the 25th day of June, 2019, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Alicia Skinner	President
Brandon Guillory	Vice President
Charles M. Eastland	Secretary
Alice Collins	Assistant Secretary
David Kubala	Assistant Vice President

and all of the above were present, except Directors Guillory and Kubala, thus constituting a quorum.

Also present at the meeting were Larry Collins, a member of the public; Cory Burton of Municipal Accounts & Consulting, L.P. ("MAC"); Jan Bartholomew of Robert W. Baird & Co. Incorporated ("RWB"); Donna Bryant of Assessments of the Southwest, Inc. ("ASW"); Rick Marriott of Si Environmental, LLC ("Si"); Brian Edwards of LJA Engineering, Inc. ("LJA"); Russell Bynum of Hillwood Communities; Scott Wright of MHI Partnership, Ltd.; and Angela Lutz and Ashley Ramos of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approval of the minutes from the May 28, 2019, meeting. After discussion, Director Eastland moved to approve the May 28, 2019, minutes. Director Skinner seconded the motion, which carried by unanimous vote.

PUBLIC COMMENTS

There was no discussion on this agenda item.

BOOKKEEPER'S REPORT

Mr. Burton then presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached. Mr. Burton requested an item be added to next month's agenda to amend the budget for fiscal year end March 31, 2020. After discussion, Director Skinner moved to approve the bookkeeper's report and the payment of bills. Director Eastland seconded the motion, which passed by unanimous vote.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Bryant distributed and reviewed the tax assessor/collector's report for the month of June, a copy of which is attached. She stated that the report reflects the District's 2018 taxes were 100% collected. Following review and discussion, Director Eastland moved to approve the tax assessor/collector's report. Director Skinner seconded the motion, which carried by unanimous vote.

DISCUSS CHANNEL AND DETENTION POND MAINTENANCE

There was no report on this agenda item.

OPERATOR'S REPORT

Mr. Marriott reported on maintenance and repairs within the District. He next presented and reviewed a Payment Services Agreement ("Agreement") between First Billing Services, LLC ("First Billing") and the District. After review and discussion, Director Eastland moved to approve Agreement between First Billing and the District and direct that the Agreement be filed appropriately and retained in the District's official records. Director Skinner seconded the motion, which carried by unanimous vote.

ENGINEER'S REPORT

Mr. Edwards presented and reviewed an engineer's report with the Board, a copy of which is attached.

CLEARING AND GRUBBING TO SERVE POMONA PHASE 4 IMPROVEMENTS

Mr. Edwards reported on the clearing and grubbing to serve Pomona Phase 4 Improvements. He stated no pay estimates were submitted by K&K Earth Works, LLC ("K&K"), for Board approval. Mr. Edwards added a walkthrough inspection was held on June 19, 2019 and K&K is addressing the deficiencies found during the inspection.

CLEARING AND GRUBBING TO SERVE BIG ISLAND TRACTS

Mr. Edwards reported on the clearing and grubbing to serve Big Island Tracts stating the project will be completed by Brazoria Municipal Utility District No. 39 ("MUD 39") and includes clearing and grubbing of an area within the District. Ms. Lutz presented a Cost Sharing Agreement for clearing and grubbing to serve Big Island Tracts ("CSA") between the District, MUD 39, and Pomona Investments, LLC for approval. Following review and discussion, Director Collins moved to approve the CSA, and direct that the agreement be

filed appropriately and retained in the District's official records. Director Eastland seconded the motion, which passed by unanimous vote.

LAKE F PHASE 2 TO SERVE POMONA

Mr. Edwards reported on the construction of Lake F Phase 2 to serve Pomona. He reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$275,866.20, payable to Bilberry Construction, LLC ("Bilberry") for the construction of Lake F Phase 2 to serve Pomona. Following review and discussion, and based on the engineer's recommendation, Director Collins moved to approve Pay Estimate No. 4 in the amount of \$275,866.20 to Bilberry. Director Eastland seconded the motion, which carried by unanimous vote.

WATER SUPPLY PLANT NO. 1, PHASE 2

Mr. Edwards reported on the construction of the Water Supply Plant No. 1, Phase 2 expansion project, stating construction is underway. He stated no pay estimates were submitted by Gemini Contracting Services, Inc., for Board approval.

WASTEWATER TREATMENT PLANT, PHASE 3 TO SERVE POMONA

Mr. Edwards reported the wastewater treatment plant will need to be expanded in the near future to meet the wastewater demands of both the District and MUD 39. He stated the proposed expansion will increase the capacity of the facility from 0.250 million gallons per day ("MGD") to 0.375 MGD. Mr. Edwards stated the project will be completed by the District in accordance with the Joint Facilities/Cost Sharing Agreement between the District and MUD 39. He stated LJA requests authorization to prepare construction plans and specification for the wastewater treatment plant expansion project. Following review and discussion, Director Collins moved to authorize LJA to prepare plans and specifications for the project. Director Eastland seconded the motion, which carried by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE POMONA PARKWAY, PHASE 3 AND POMONA, SECTIONS 13 AND 15, AND CONSTRUCTION OF PAVING TO SERVE POMONA PARKWAY, PHASE 3, PUBLIC PORTION OF POMONA, SECTION 13 AND POMONA, SECTION 15

Mr. Edwards reported on the construction of water, sewer, and drainage facilities to serve Pomona Parkway, Phase 3, and Pomona, Sections 13 and 15 and construction of paving to serve Pomona Parkway, Phase 3, public portion of Pomona, Section 13, and Pomona, Section 15. He reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$1,106,984.08 payable to

Clearwater Utilities, Inc. ("Clearwater") for the construction of water, sewer, and drainage facilities to serve Pomona Parkway, Phase 3, and Pomona, Sections 13 and 15 and construction of paving to serve Pomona Parkway, Phase 3, public portion of Pomona, Section 13, and Pomona, Section 15. Following review and discussion, and based upon the engineer's recommendation, Director Collins moved to approve Pay Estimate No. 3, in the amount of \$1,106,984.08 payable to Clearwater. Director Eastland seconded the motion, which passed by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA, SECTIONS 12 AND 14

Mr. Edwards updated the Board on the status of construction of water, sewer, and drainage facilities and paving to serve Pomona, Sections 12 and 14. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$631,879.79 payable to Clearwater for the construction of water, sewer, and drainage facilities and paving to serve Pomona, Sections 12 and 14. Following review and discussion, and based upon the engineer's recommendation, Director Collins moved to approve Pay Estimate No. 2, in the amount of \$631,879.79 payable to Clearwater. Director Eastland seconded the motion, which passed by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA, SECTION 16

Mr. Edwards reported on the construction of water, sewer, and drainage facilities and paving to serve Pomona, Section 16.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA PARKWAY, PHASE 4

Mr. Edwards reported on the plans for the construction of water, sewer, and drainage facilities and paving to serve Pomona Parkway, Phase 4.

LANDSCAPE ARCHITECT'S REPORT

The Board reviewed a report on landscape matters, a copy of which is attached.

PHASE 3 LANDSCAPE TO SERVE POMONA

The Board discussed landscaping improvements for Phase 3 to serve Pomona. Mr. Wright stated TBG Partners recommends approval of Pay Estimate No. 2 in the amount of \$158,448.50, payable to Earthfirst Landscape, LLC ("Earthfirst"), for the landscaping improvements for Phase 3 to serve Pomona. Following review and discussion, and based on the landscape architects

recommendation, Director Eastland moved to approve Pay Estimate No. 2 in the amount of \$158,448.50 to Earthfirst. Director Skinner seconded the motion, which carried by unanimous vote.

PHASE 4 LANDSCAPE TO SERVE POMONA SECTION 12

There was no update on this agenda item.

PHASE 4 LANDSCAPE TO SERVE POMONA SECTIONS 13, 14, AND 15

There was no update on this agenda item.

PHASE 4 LANDSCAPE TO SERVE POMONA PARKWAY AND POMONA SECTION 16

There was no update on this agenda item.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

REPORT ON DEVELOPMENT

Mr. Bynum updated the Board regarding development within the District.

ANNEXATION MATTERS

There was no action taken on this agenda item.

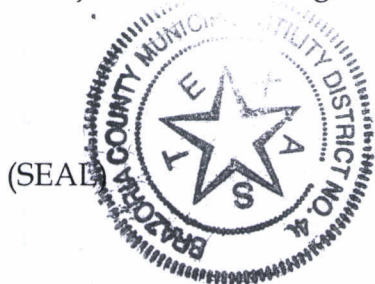
ATTORNEY'S REPORT

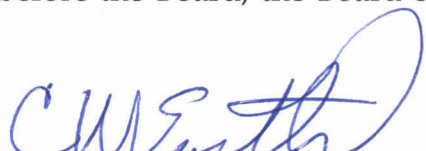
There was no action taken on this agenda item.

MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on July 23, 2019, at 10:00 a.m. at ABHR.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	1
Tax assessor/collector's report.....	2
Engineer's Report.....	2
Landscape Architect Report.....	4



MONTHLY STATUS REPORT

DATE: June 25, 2019

PROJECT: Pomona Development

OWNER: Brazoria County MUD No.40
Contact: ABHR
3200 Southwest Fwy.
Houston, TX 77027

LANDSCAPE
ARCHITECT:

Blake Coleman
Katie Summers
TBG Partners
3050 Post Oak Blvd., Suite 1100
Houston, Texas 77056
Phone: 713-439-0027
Fax: 713-439-0067

COPY TO:

Board Members
 Brian Edwards – LJA
 Tim Austin – ABHR
 Russell Bynum- Hillwood
 Scott Wright-- MHI
 Blake Coleman – TBG Partners
 Katie Summers- TBG Partners

	NOTES:
1	<p>(H17478) Phase 3 Landscape:</p> <ul style="list-style-type: none"> - Pay App 2 submitted by Earthfirst in the amount of \$158,448.50. TBG recommends approval. <hr/> <p>Contract Date 02/12/19 Completion Rate 89.58% Completion Date 07/15/19 Contract Amount \$289,531.00</p>

Please contact Katie Summers at 713-439-0027 for additions or revisions